

**INDIANA
WORKFORCE
DEVELOPMENT**



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TO: Chief Elected Officials
WIB Chairs
WIB Directors
Program Directors

FROM: Alan Degner
Commissioner

DATE: January 29, 2004

SUBJ: DWD Commissioner's Directive #2002-23, Revision 1
Revised PY'03 Local Performance Levels and Incentive Awards Policy

RE: Workforce Investment Act, Wagner-Peyser and Unemployment Insurance

Purpose:

Two elements of the Program Year 2003 (PY'03) performance standards and incentive awards policy are being revised/clarified in this directive: the time periods for the performance measures and the conditions which might lead to a reduction in incentives.

The Department of Workforce Development (DWD) is revising its timeframes for measuring local Workforce Investment Act (WIA) performance for PY'03 to conform with Department of Labor "Training and Employment Guidance Letter" (TEGL) 14-03 which has modified the time periods for performance measures. TEGL 14-03 changes the PY'03 Annual Report deadline to October 1, 2004 instead of the state's previous deadline of December 1.

DWD is also clarifying the conditions which might lead to a reduction in incentives, consistent with DWD Policy 2002-34, "Sanctions Policy."

Rescissions:

None.

Content:

The time periods for WIA performance measures have been revised by DOL. These revisions have been incorporated into the ensuing tables and will be used to evaluate PY'03 performance. In addition, we have included cohort periods for the WIA customer satisfaction measures.

As described in the DWD sanctions policy, "Problems in the administration and management of resources may include failure to meet performance outcome levels, mismanagement of resources, and/or non-compliance." As appropriate and necessary for compliance with federal rules and guidelines or other time sensitive requirements, DWD may set a firm deadline for response to inquiries or correspondence. If a WIB fails to meet these deadlines DWD may enforce a penalty of the loss of 10% of a total incentive award amount for a program year. DWD will give prior notification to all WIBs as to when missing the deadline will subject the WIB to these sanctions. However, in any case on which an incentive award is based on data that is deemed to be invalid, no incentive award will be awarded for that program year.

Effective Date:

Immediately.

Ending Date:

December 31, 2004.

Ownership:

DWD Evaluation Division.

Action:

Please inform your local staff of these changes and address any questions you may have regarding this policy to Patrik Madaras, Director of Evaluation, at 317-232-8537.

Attachment

PY'03 Mandatory WIA Performance Standards

Note: Individuals exiting the program as institutionalized, health/medical or death are not calculated in the performance standards. For employment and retention measures, supplemental data is used if wage records are not available. When Wage Record Interchange System (WRIS) data is used for the calculations, supplemental data will not be used.

| Performance Measure | Definition | Cohort | Numerator (PMIS/Wage File* Fields) | Denominator (PMIS/Wage File* Fields) |
|---|---|--|---|---|
| Adult Entered Employment Rate | <i>Of those not employed at registration:</i> Number of adults who have entered employment by the end of the first quarter after exit divided by the number of adults who exit. | Adults exiting the program October 1, 2002 through September 30, 2003 whose labor force status at time of registration was not employed. | # of exiters with: Labor force status is not employed and Pgcd=1A and Post1>0 | # of exiters with: Labor force status is not employed and Pgcd=1A |
| Adult Employment Retention Rate | <i>Of those who are employed in the first quarter after exit:</i> Number of adults who are employed in the third quarter after exit divided by the number of adults who exit. | Adults exiting the program April 1, 2002 through March 31, 2003 who were employed in the first quarter after the exit quarter. | # of exiters with: Pgcd=1A and Post1>0 and Post3>0 | # of exiters with: Pgcd=1A and Post1>0 |
| Adult Average Earnings Change | <i>Of those who are employed in the first quarter after exit:</i> Total post-program earnings (earnings in quarter 2 + quarter 3 after exit) minus pre-program earnings (earnings in quarter 2 + quarter 3 prior to registration) divided by the number of adults who exit. | Adults exiting the program April 1, 2002 through March 31, 2003 who were employed in the first quarter after the exit quarter. | Exiters with: Pgcd=1A and post1>0 Then perform following calculation: (sum of post2 + sum of post3) – (sum of prior2 + sum of prior3) | # exiters with: Pgcd=1A and post1>0 |
| Adult Employment and Credential Rate | <i>Of adults who received training services:</i> Number of adults who were employed in the first quarter after exit and received a credential by the third quarter after exit divided by the number of adults who exited. | Adults exiting the program October 1, 2002 through September 30, 2003 who have received training services. | Remove all E4 activities # of exiters with: pgcd=1A and (having Line code=15 or 20) and (Having at least one of the following: jrneyman, cta, hsdiploma, occ_cred, aa_as, ba_bs, occlincs, credentl, attain_ged) AND post1>0 | Remove all E4 activities # of exiters with: pgcd=1A and having Line code=15 or 20 |

| Performance Measure | Definition | Cohort | Numerator (PMIS/Wage File* Fields) | Denominator (PMIS/Wage File* Fields) |
|---|---|---|--|--|
| Dislocated Worker Entered Employment Rate | Number of dislocated workers who have entered employment by the end of the first quarter after exit divided by the number of dislocated workers who exit. | Dislocated workers exiting the program October 1, 2002 through September 30, 2003. | # of exiters with: (pgcd=1R or 1D) and Post1>0 | # of exiters with: pgcd=1R or 1D |
| Dislocated Worker Employment Retention Rate | <i>Of those who are employed in the first quarter after exit:</i> Number of dislocated workers who are employed in the third quarter after exit divided by the number of dislocated workers who exit. | Dislocated workers exiting the program April 1, 2002 through March 31, 2003. | # of exiters with: (pgcd=1R or 1D) and Post3>0 | # of exiters with: (pgcd=1R or 1D) |
| Dislocated Worker Earnings Replacement Rate | <i>Of those who are employed in the first quarter after exit:</i> Total post-program earnings (earnings in quarter 2 + quarter 3 after exit) divided by pre-dislocation earnings (earnings in quarters 2 + quarter 3 prior to dislocation). <i>Note: If the dislocation date is after the enrollment date, the enrollment date is used for the dislocation date).</i> | Dislocated workers exiting the program April 1, 2002 through March 31, 2003 who are employed in the first quarter after the exit quarter. | Exiters with: (Pgcd=1D or 1R) and Post1>0 Then perform following calculation: (sum of post2 + sum of post3) | Exiters with (Pgcd=1D or 1R) and Post1>0 Then perform following calculation: (sum of prior2 + sum of prior3) |
| Dislocated Worker Employment and Credential Rate | <i>Of dislocated workers who received training services:</i> Number of dislocated workers who were employed in the first quarter after exit and received a credential by the end of the third quarter after exit divided by the number of dislocated workers who exited. | Dislocated workers exiting the program October 1, 2002 through September 30, 2003 who received training services. | Remove all E4 activities # of exiters with: (pgcd=1D or 1R) and and (Line code=15 or 20) and (having at least one of the following: jrneyman, cta, hsdiploma, occ_cred, aa_as, ba_bs, occlicns, credentl, attain_ged) AND post1>0 | Remove all E4 activities # of exiters with: (pgcd=1D or 1R) and Line code=15 or 20 |

| Performance Measure | Definition | Cohort | Numerator (PMIS/Wage File* Fields) | Denominator (PMIS/Wage File* Fields) |
|--|--|--|--|---|
| Older Youth Entered Employment Rate | <i>Of those not employed at registration and who are not enrolled in post-secondary education or advanced training in the first quarter after exit:</i> Number of older youth who have entered employment by the end of the first quarter after exit divided by the number of youth who exit. | Older youth exiting the program October 1, 2002 through September 30, 2003 who are not employed at registration and who are not enrolled in post-secondary education or advanced training in the 1 st quarter after exit. | # of exiters with: Age 19-21 in 1Y and (not (postsecn is yes with line code E1 OR advtrain is yes with line code E1) and (labor force status is NOT employed)) and Post1>0 | # of exiters with: age 19-21 in pgcd 1Y and not (postsecn is yes with line code E1 OR advtrain is yes with line code E1) and (labor force status is NOT employed) |
| Older Youth Employment Retention Rate | <i>Of those who are employed in the first quarter after exit and who are not enrolled in post-secondary education or advanced training in the third quarter after exit:</i> Number of older youth who are employed in third quarter after exit divided by the number of older youth who exit. | Older youth exiting the program April 1, 2002 through March 31, 2003 who are employed in the first quarter after exit and who are not enrolled in post-secondary education or advanced training in the 3 rd quarter after exit. | Remove all activity records with line codes E4 or E5 # exiters with: Age 19-21 in 1Y and (NOT(postsecn is yes OR advtrain is yes) with line code E3) AND post1>0 & Post3>0 | Remove all activity records with line codes E4 or E5 # of exiters with: Age 19-21 in 1Y (NOT(postsecn is yes OR advtrain is yes) with line code E3) AND post1>0 |
| Older Youth Average Earnings Change | <i>Of those who are employed in the first quarter after exit and who are not enrolled in post-secondary education or advanced training in the third quarter after exit:</i> Total post-program earnings (earnings in quarter 2 + quarter 3 after exit) minus pre-program earnings (earnings in quarter 2 + quarter 3 prior to registration) divided by the number of older youth who exit. | Older youth exiting the program April 1, 2002 through March 31, 2003 who are employed in the first quarter after exit and who are not enrolled in post-secondary education or advanced training in the 3 rd quarter after the exit quarter. | Exiters with: Age 19 – 21 in 1Y and (NOT(postsecn is yes OR advtrain is yes) with line code E3) AND post1>0 Then perform following calculation: (sum of post2 + sum of post3) – (sum of prior2 + sum of prior3) | # exiters with: Age19–21 in 1Y (NOT(postsecn is yes OR advtrain is yes) with line code E3) AND post1>0 |
| Older Youth Credential Rate | Number of older youth who are in employment, post-secondary education, or advanced training in the first quarter after exit and received a credential by the end of the third quarter after exit divided by the number of older youth who exit. | Older youth exiting the program October 1, 2002 through September 30, 2003. | # of exiters with: Age 19 – 21 in 1Y and ((post1>0 OR (postsecn is yes or advtrain is yes)) AND (having at least one of the following: jrneyman, cta, hsdiploma, occ_cred, aa_as, ba_bs, occlcn, credentl, attain_ged)) | Remove all activity records with line codes E4 or E5 # of exiters with: Age 19-21 in 1Y |

| Performance Measure | Definition | Cohort | Numerator (PMIS/Wage File* Fields) | Denominator (PMIS/Wage File* Fields) |
|---|---|---|---|---|
| Younger Youth Skill Attainment Rate | Total number of goals attained by younger youth divided by the total number of goals set. (At least one and a maximum of three goals per year unless all goals have been met for the youth and the youth has been assessed to no longer be in need of basic skills, work readiness skills, or occupational skills goals). Successfully completed goals are count in the PY they are completed. Goals that are not successfully completed are counted in the PY one year after they are set. | All younger youth participants between April 1, 2003 and March 31, 2004. | Of those in the denominator, those goals attained during the quarters being reported and by the date due to be attained up to a total of three. | Participants Age 14-18 in pgcd 1Y: Count the number of goals assigned which were due to be completed (one year from registration date for first goal, one year from being set for all others unless exit date is first in which case it is due on exit date) during this reporting period, up to a total of three per registration year. |
| Younger Youth Diploma or Equivalent Rate | <i>Of those who register without a diploma or equivalent:</i> Number of younger youth who attained secondary school diploma or equivalent by the end of the first quarter after exit divided by the number of younger youth who exit (except those still in secondary school at exit). | Younger youth exiting the program April 1, 2003 through March 31, 2004 who registered without a diploma or equivalent and who were not still in secondary school at the time of exit. | Remove all activity records with line codes E2, E3, E4 and remove records with highest grade >11 at registration # of exiters who received high school diploma or ged whose Age 14-18 in pgcd 1Y | Remove all activity records with line codes E2, E3, E4 and Remove records with highest grade > 11 at registration and exclude exit code 15 # of exiters: age 14-18 in 1Y |
| Younger Youth Retention Rate | Number of younger youth in one of the following categories in the third quarter after exit: post secondary education, advanced training, employment, military service, qualified apprenticeships divided by the number of younger youth who exit (except those still in secondary school at exit). | Younger youth exiting the program April 1, 2002 through March 31, 2003 who were not still in secondary school at exit. | # of exiters: age 14-18 in 1Y and (post1>0 OR postsecn is yes OR advtrain is yes OR military is yes OR apprentice is yes) | # of exiters: age 14-18 in 1Y exclude exit code 15 |

| Performance Measure | Definition | Cohort | Numerator (PMIS/Wage File* Fields) | Denominator (PMIS/Wage File* Fields) |
|--|---|---|---|---|
| Participant Customer Satisfaction | Satisfaction data collected from sampled participants via telephone interviews. | A sample of participants exiting the program January 1, 2003 through December 31, 2003. | | |
| Employer Customer Satisfaction | Satisfaction data collected from sampled employers via telephone interviews. | A sample of employers utilizing the program January 1, 2003 through December 31, 2003. | | |

***Wage File Fields**

Post1 is the wages in the first quarter after the exit date

Post2 is the wages in the second quarter after the exit date

Post3 is the wages in the 3rd quarter after the exit date

Post4 is the wages in the 4th quarter after the exit date

Prior2 is the wages in the 2nd quarter prior to the enrollment date for 1A or 1Y and the dislocation date for 1D or 1R

Prior3 is the wages in the 3rd quarter prior to the enrollment date for 1A or 1Y and the dislocation date for 1D or 1R